

BUSINESS PLAN

II. Executive Summary

A. Describe the highlights of the plan.

In today's competitive environment, organizations that cannot, or will not, keep pace with the changing business climate, are doomed to under-perform. The Bank recognizes that in order to best serve the community and be accountable to its shareholders, it must develop a business strategy that will enable it to perform effectively and consistently at the highest-level possible. The definitive element of such a successful strategy is a *customer service-oriented* culture, which is precisely what many consumers believe is missing, or at best poorly implemented in the large regional and national financial institutions today.

We, the organizers, recognize that the gap between successful financial service providers is narrowing rapidly. However, the on-going merger and acquisition activity within the industry has left many bank customers with, at best, a sense of loss and, at worst, a sense of frustration.

Every bank professes to deliver quality service, but few actually do. There is a large segment of the market that is telling the industry, in a loud and clear voice, that it wants quality service and is willing to pay for it. Yet, the financial services industry is not addressing that issue in a fashion that satisfies a large segment of its customer base. This is why the Bank believes that it can capitalize on the lack of responsiveness on the part of our potential competitors.

Service is one of the most widely used and most poorly implemented terms in business today. For an organization to truly deliver quality service, it must be willing to invest in the people, tools and systems necessary to deliver on such a broad promise. The Bank is committed to make that investment.

We, the organizers, and management of the Bank, recognize that the level of service we deliver to the community will be the measure of our success. We believe we will give the term "service" a new definition and are willing to make the commitment to validate such a claim.

At the heart of the Bank's promise to deliver superior service, is the purchase of, and maintenance of, a technology system that is state-of-the-art and is supported by experienced and reliable vendors. A bank can only effectively serve its customers if the routine transactions are processed in an effective manner, allowing bank personnel the time to devote their attention to dealing directly with the customer. A well-implemented data processing system also enables the bank to segment, target the market and more closely offer products and services that the customers need, and will subsequently purchase.

We organizers believe that it is of paramount importance that successful organizations embrace technology. Through the use and application of the technological tools available today, we, as a progressive financial service provider, can deliver a high level of service at a reasonable cost. This is not to say that the high-touch approach to customer service will be compromised in any way. On the contrary, the proposed organizers and management do not view technology and extraordinary service as mutually exclusive. Rather, we see the effective blending of both elements as the key to the success of any financial service provider today.

Furthermore, successful businesses know what their customers need and then go about meeting those needs. Therefore, targeting, segmenting and maximizing the Bank's customer base will be the Bank's watchwords. One size does not fit all. If a bank cannot customize its products to match the market, it will be at a distinct disadvantage.

At the core of successful customer service is the organization's commitment to develop a sales culture. In order to support a service and sales culture, the Bank will supply its employees with the detailed data and the tools necessary to effectively cross-sell the Bank's products and services. It is a matter of focus -- the rifle vs. the shotgun approach. The Bank will gather, integrate, track and utilize customer data with the aid of the latest information gathering technology available (all the while respecting and adhering to regulatory privacy compliance issues). Only then are we able to develop and maximize our marketing opportunities.

This is not to say that products and services will be “forced” upon the customers. Consultative selling is being aware of opportunities to present solutions and options to the customer and then allowing the customer to make the decision whether to avail himself or herself of the offering or not.

Developing a sales culture is critical in order for a bank to enjoy long-term success. The term “sales culture” is open to broad interpretation. However, we believe it comes down to one simple fact. Bankers must learn to present products and services to their customers in a proactive fashion and only a qualified, well-trained staff is equipped to do that. We can no longer wait for the customer to come to us.

In addition, this sales mentality cannot be the exclusive responsibility of the officers. Every employee must embrace it. Management will design a program that will help those employees who have little or no sales experience, learn the selling process and enhance the skills of those who do. In addition, the Bank will reward those who are able and willing to cross-sell. We accept the fact that developing a sales culture is no longer an option, but is now a necessity.

We intend to be a team-oriented organization, committed to providing our staff with a working environment conducive to both personal and professional growth. This atmosphere will encourage pride, teamwork and proficiency resulting in our customers receiving professional, high quality and personalized banking service. The staff will receive continuous cross training that will help them to develop the critical job skills and competencies necessary to become problem solvers, not just processors.

The next most over-used term is empowerment. However, the Bank holds this tenet to be the core of its employee policy. The Bank is committed to training and supporting the Bank’s officers and staff so they can make pricing and service decisions based on their assessment of the client at any certain time, on any particular transaction.

In the final analysis, it will be the officers and staff who will make the Bank a success. Therefore, the Bank is committed to providing its staff with a working environment

conducive to developing their personal and professional growth. This atmosphere will enhance the Bank's image and develop pride, teamwork and proficiency, resulting in the Bank's customers receiving professional, high-quality, responsive, personalized banking service. The staff's participation in a continuous cross-training program will help them develop the critical job skills and competencies necessary to best serve the Bank's customers.

We are dedicated to commit the human and financial resources necessary to carry out our business strategy. Further, we, the proposed organizers and officers, are equally resolved to commit our time and talents to the project to ensure that the Bank will successfully serve both the shareholders and the community.

We accept our responsibilities as an organization, and as individuals, to become good corporate citizens. Because we will hold a position of public trust, our business and personal conduct must reflect our resolve to work hard to both earn and retain that public trust. We do not take these issues lightly. Therefore, we expect and accept nothing less than for everyone associated with the Bank to maintain the highest moral and ethical standards.